



**STATE OF MAINE
PUBLIC UTILITIES COMMISSION
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04333-0018**

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August 31, 2000

George Belcher, Chairman
Wiscasset Water District
P O Box 603
Wiscasset, ME 04578-0603

RE: WISCASSET WATER DISTRICT
Proposed Rate Change
Docket No. 2000-536

Dear Mr. Belcher:

On June 16, 2000, the Wiscasset Water District filed information with the Commission pursuant to 35-A M.R.S.A. § 6104. The filing proposed to increase residential revenues by \$4,777 (5.1%), commercial revenues by \$8,440 (28.9%) and governmental revenues by \$5,245 (28.9%) while reducing revenues from public fire protection by \$33,093 (30.0%). The Town of Wiscasset no longer wishes to subsidize water rates by paying 50% of the operating revenues as public fire protection charges. The public fire protection charges will now be 30% of the total operating revenues as determined by Chapter 69 of the Commission's Rules. The proposed rate changes result in a \$14,591 (5.38%) reduction in total operating revenues.

The District published notice of its public hearing in various editions of the Lincoln County News, the Wiscasset News, and the Boothbay Register. The notices were published on July 6, 2000, July 13, 2000, and July 20, 2000. The District held a public hearing on the proposed rate changes in the Wiscasset Middle School Cafeteria on July 24, 2000. On August 14, 2000, the District filed its Schedule of Rates consisting of Sheet 1 – First Revision and Sheet 2 – First Revision.

Section 6104(3) requires that the utility publish notice of the hearing in a newspaper of general circulation in the area, at least 14 days prior to the hearing, and specifies certain information that must be included in the notice. The Wiscasset Water District did publish notices in newspapers 14 days prior to the hearing, but failed to include many of the statements required by law. However, the individual notices to

customers, mailed on July 5, 2000, complied with these requirements. Thus, the District's attempt to change its rates under Section 6104 failed. The District did satisfy all of the other requirements of Section 6104. The Commission processed the requested rate change pursuant to 35-A M.R.S.A. § 307 because of the procedural failure of the Section 6104 filing.

The Commission considered the Wiscasset Water District's proposed rate changes at its deliberations on August 28, 2000. Based upon the information presented and the absence of a petition or complaints from the District's customers, the Commission decided that further investigation is unnecessary and that it will not suspend the operation of the proposed schedule. Accordingly, the Schedule of Rates, consisting of Sheets 1 and 2 – both First Revision, filed on August 14, 2000, will become effective by operation of law on October 1, 2000.

While we see no useful purpose in investigating this matter further, we will take this occasion to remind the Wiscasset Water District – and all other Maine utilities – that they must comply with all aspects of Maine law, including public notice content requirements, regardless of how trivial those requirements may seem to them. Failure to do so may invite burdensome and costly delays.

By allowing the schedule of rates to become effective by operation of law, the Commission does not explicitly or implicitly approve the proposed rate changes. A copy of the Schedule of Rates is attached for your reference.

Sincerely,

Dennis Keschl
Administrative Director

Enclosure